

August 21, 2009

SUBJECT: Performance Guidance for Rating Cycle Ending September 30, 2009

TO: Administrator's Council  
Deputy Area Directors  
AFM Division Directors  
Area Personnel Assistants

FROM: Theresa Bailey  
Performance and Awards Staff, HRD

This memorandum describes the procedures to be used for finalizing performance appraisals and awards for the October 1, 2008 – September 30, 2009 performance cycle. In addition, we will also be issuing a memo defining the parameters for establishing employee performance plans for the upcoming Fiscal Year (FY) 2010 performance cycle.

Upon receipt of this memo, rating officials should develop reasonable due dates for receipt of employee accomplishment reports and should prepare to schedule performance reviews. Advance planning for this process facilitates the timely initiation and processing of performance appraisals and awards.

### **I. Receipt of Employee Listings - Beginning the Process**

Employee Listings, which identify those employees who require ratings this cycle, will be provided no later than one week from the date of this memorandum as follows: Listings for Headquarters Staff Offices will be provided to Karen Lucas' office; for ARS field employees to Area Personnel Assistants; and, for AFM employees to AFM Division Directors and their secretaries. The Listings will include the information necessary to complete the upper section of each Performance Appraisal Form (AD-435P). In an effort to make these listings as useful as possible, we will be providing them in two formats: as Word documents and as Excel spreadsheets.

### **II. Completion of Performance Appraisal Form (AD-435P)**

The Performance Appraisal Form (AD-435P) is located in 'eForms'. This form is initiated when the supervisor rates each performance element and assigns a summary rating. The rating official should discuss the tentative summary rating with the reviewing official and receive final approval. Both, the rating and reviewing official must sign the AD-435P **before** the performance discussion can be held with the employee. After the discussion, the employee should sign their AD-435P and a copy of the completed form should be provided to the employee and a copy retained in the supervisor's records. **It is important to remember that the rating official and reviewing official cannot be the same person. The reviewing official must be at a higher organizational level than the rating official (usually the rating official's supervisor).**

Please note an employee's signature on the AD-435P only constitutes receipt of the appraisal. An employee's signature on the form does not mean the employee agrees with the rating given. If an employee chooses not to sign their AD-435P, a note should be written in the employee

signature box stating, “Performance review was held on (date) and the employee declined to sign.”

The Human Resources Division (HRD) requires that a written justification providing details concerning the employee’s performance accompanies the AD-435P, if the rating of record is **Outstanding or Unacceptable**. The **employee’s accomplishment report** can serve as the written justification for all other ratings of record.

### **Situational Circumstances**

Employees who have been in their positions and under performance standards for 90 calendar days or more are ratable and must receive an appraisal using the AD-435P. If an employee has not been covered under standards for the minimum appraisal period of 90 calendar days, the appraisal period for that employee should be extended to meet the 90 day requirement, at which time the employee must receive a rating of record. For questions about unusual circumstances, please contact this office for guidance.

Employees who retire or separate from the agency on or after September 30<sup>th</sup> and were on an established performance plan for at least 90 days are eligible to receive a rating of record and performance bonus according to Area or Headquarters Staff policy. It is important and helpful for the employee to provide an accomplishment report for assistance to the supervisor before departure.

In order to effectively assist an employee who receives less than a “Fully Successful” summary rating, the supervisor should contact their servicing Employee Relations Specialist immediately upon making that determination.

### **III. Information to Complete Award Form (AD-287-2)**

A Recommendation and Approval of Awards Form (AD-287-2) must be prepared for each award nomination. Employees rated Fully Successful or above are eligible for performance awards based on the applicable Headquarters Staff Office or Area policy.

- All performance-based cash awards and Time Off awards require a written supervisory justification or an employee’s accomplishments report.
- If the rating of record is Outstanding and a Quality Step Increase (QSI) is being assigned, **a copy of the written justification provided for the Outstanding rating is sufficient documentation for the QSI**. The employee’s accomplishment report can serve as the written justification for all other awards (superior or fully successful, performance bonuses and time off awards).
- A QSI may be recommended only for those employees who receive an Outstanding rating and who have not received a QSI within the last 52 weeks. **QSIs are given in the position and at the grade level for which performance was assessed.** QSIs to the 4<sup>th</sup> and 7<sup>th</sup> steps of a grade extend the employee’s current within-grade waiting period by one year. For specific questions regarding QSIs, refer to your servicing Human Resources Specialist.
- A QSI will not be held for a Within Grade Increase (WGI) to be effective.

- The latest date a QSI will be made effective is **December 6, 2009**. Any QSIs received after this date will be changed to cash awards. **Note:** Once an AD-287-2 has been submitted and processed in the National Finance Center System, HR Assistants will not be able to cancel the award to process another.

It is important to recognize that QSIs are the very highest form of performance recognition and that a change in an employee's position and/or level of responsibility during the rating cycle should be considered in determining an appropriate award. Specifically, QSIs may be appropriate when the Outstanding rating assigned to the employee is based primarily on the employee's performance since the promotion/reassignment. This supports the intent of QSIs to recognize not only Outstanding performance, but the expectation that performance is expected to continue at a very high level. Thus, when an Outstanding rating is based primarily on performance preceding a promotion/reassignment, an assessment should be made as to whether the employee has achieved a sufficiently high level of *performance in the new position* to warrant a QSI. If not, a performance-based cash award or time off award should be considered.

A citation must be provided in Block 11 of the AD-287-2 Form for performance awards and QSIs. The following citation is recommended:

"This award is based upon an official performance appraisal rating of (*Fully Successful, Superior, or Outstanding*) for the rating period October 1, 2008 through September 30, 2009."

Since performance awards, time off awards, and QSIs are based upon the annual performance rating, an employee may not be recommended for more than one award in this category. Recognizing specific accomplishments or achievements during this time period with other awards such as extra effort or non-monetary, is permitted.

#### **IV. Submission of Completed Performance Appraisal and Awards Packages to HRD**

Supervisors must complete and document the Employee Listing and indicate in the space provided the date the appraisal was issued or a reason as to why it was not, i.e., employee's cycle was extended through (date) or employee reported (date) and will be rated next cycle, etc. Please do not send Individual Development Plans (IDPs), training forms, lists of publications, or other management documents to HRD in this package. These are not required documents in the Employee Performance File and will not be filed if received.

Provided below is the chronological listing that each individual employee appraisal and award package is to be arranged. Completed packages should be bundled by location or office and forwarded to HRD as a group with the Employee Listing for the location/office atop the bundle.

- 1) Employee Listing;
- 2) Original AD-287-2, if an award will be given;
- 3) Original AD-435P signed/dated by the Rating/Reviewing Officials and employee;
- 4) Cash & Time Off Awards: Employee's accomplishment report or written justification;  
QSIs: A copy of the written justification used for the rating of record;
- 5) A written justification for an Unacceptable Rating; and
- 6) Original Performance Plan.

**Please send employee listings and all employees' appraisal and award packages to the address below no later than December 4, 2009.** Completed award packages received by this date will be made effective December 6, 2009, and paid out in this calendar year. Packages received after December 4, 2009, or incomplete packages will be paid out in 2010.

Send completed employee listings and all appraisal/award packages to the following address:

Theresa Bailey  
USDA/ARS/Human Resources Division  
Performance and Awards Staff  
5601 Sunnyside Avenue, Room 3-1282D  
Beltsville, MD 20705-5107

**NOTE: Supervisors should consult applicable union agreements and comply with any time frames for the submission of performance appraisals and awards for bargaining unit employees.**

### **Contacts**

Questions may be referred to Theresa Bailey on 301-504-1452 or to your servicing Human Resources Specialist. Performance problems which may result in a less than fully successful rating should be referred to your servicing Employee Relations Specialist.

cc:

Area Director's Secretaries  
DAD's Secretaries  
AFM Secretaries  
All HRD Employees